



Billing Code: 3510-22-P

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

RIN 0648-XC528

Fisheries of the Caribbean, Gulf of Mexico, and South Atlantic;  
Reef Fish Fishery of the Gulf of Mexico; Exempted Fishing Permit

AGENCY: National Marine Fisheries Service (NMFS), National  
Oceanic and Atmospheric Administration (NOAA), Commerce.

ACTION: Notice of receipt of an application for an exempted  
fishing permit; request for comments.

SUMMARY: NMFS announces the receipt of an application for an  
exempted fishing permit (EFP) from the Gulf Headboat Cooperative  
(Cooperative). The Cooperative proposes to evaluate the  
efficacy of an allocation-based management system, using a  
limited number of headboats in a 2-year pilot study. This  
study, to be conducted in the exclusive economic zone (EEZ) of  
the Gulf of Mexico (Gulf), is intended to assess whether such a  
system can better achieve conservation goals established in the  
Fishery Management Plan for the Reef Fish Resources of the Gulf  
of Mexico; evaluate the effectiveness of a more timely  
electronic data reporting system; and evaluate the potential  
social and economic benefits of an alternative management  
strategy for the headboat segment of the recreational fishing

sector within the Gulf reef fish fishery.

DATES: Comments must be received no later than 5 p.m., eastern time, on [insert date 30 days after date of publication in the FEDERAL REGISTER].

ADDRESSES: You may submit comments on the application, identified by RIN 0648-XC528, by any of the following methods:

- E-mail: 0648-XC528.Headboat.IFQ.EFP@noaa.gov. Include in the subject line of the e-mail comment the following document identifier: "Headboat IFQ".
- Mail: Steve Branstetter, Southeast Regional Office, NMFS, 263 13th Avenue South, St. Petersburg, FL 33701.

The application and related documents are available for review upon written request to any of the above addresses.

FOR FURTHER INFORMATION CONTACT: Steve Branstetter, 727-824-5305; e-mail: Steve.Branstetter@noaa.gov.

SUPPLEMENTARY INFORMATION: The EFP is requested under the authority of the Magnuson-Stevens Fishery Conservation and Management Act (16 U.S.C. 1801 et seq.) (Magnuson-Stevens Act), and regulations at 50 CFR 600.745(b) concerning exempted fishing.

#### Overall Program Concept

The described research program is being proposed by a subset of the headboat fleet in the Gulf reef fish fishery. A

headboat is a for-hire vessel that charges a fee on an individual angler (per head) basis. These headboats have formed a Cooperative to conduct a pilot study to evaluate the efficacy of an allocation-based management strategy, which if proven successful, could potentially be implemented by the Gulf of Mexico Fishery Management Council (Council) for the entire reef fish headboat fleet in the Gulf.

Currently, headboats operate under a common set of management measures, such as recreational bag limits, size limits, and open fishing seasons. According to the Cooperative, regulatory responses to overharvesting of reef fish in the recreational sector and the need for more timely harvest data have resulted in shorter fishing seasons, reduced bag limits, and other factors that make it difficult to operate successful headboat businesses. Because headboat operators can now only fish for certain species during brief seasons in each year, there are increased regulatory discards during the closed seasons, and boats often lose out on potential customers during periods of high tourist traffic along the Gulf coast that do not coincide with those open fishing seasons. In addition, even long-time customers are losing confidence that if they book a headboat trip in advance, the fishing seasons for their target reef fish species will be open when their fishing trip occurs.

This lack of certainty makes customers reluctant to book headboat fishing trips.

The Cooperative is requesting that they be issued an EFP authorizing their members to harvest a specific amount of red snapper and gag anytime during the 2014 and 2015 fishing years. The amount of fish that would be authorized for harvest by the Cooperative would be based on the Cooperative participants' 2011 aggregate landings of red snapper and gag reported through the Southeast Regional Headboat Survey (SRHS) program relative to the total recreational landings of red snapper and gag in 2011. That percentage would then be applied to the 2014 and 2015 red snapper recreational quota and gag recreational allocation to determine the amount of fish authorized under the EFP to be harvested by the Cooperative.

The Cooperative would be responsible for distributing the allotted fish to individual headboats in the program. Final distribution would be in numbers of fish, calculated from the proportional landings data, which are reported in weight. The Cooperative would then be responsible for reporting their landings electronically to the NMFS Southeast Regional Office.

NMFS would establish an electronic account for the Cooperative manager before the start of the 2014 fishing season. Vessel accounts would also be established by NMFS for each

vessel participating in the EFP. NMFS would provide the Cooperative Manager and participating Gulf charter-headboat for reef fish permit holders each with a unique UserID and Personal Identification Number (PIN) to log-in to their accounts. The amount of fish authorized for harvest under the EFP would be deposited in the Cooperative manager's electronic account on January 1, each year. The Cooperative manager would then transfer fish to and from headboat vessel accounts. The number of fish each vessel receives would be determined by the Cooperative and not NMFS. Vessel account holders would be able to view the number of fish available for harvest at any point in time through their account. Landed fish would be deducted from the vessel account after each recorded trip. After all fish have been harvested, the vessel would either need to obtain additional fish from the Cooperative manager to continue landing fish or no longer harvest red snapper and gag for the remainder of the fishing year.

#### Data Collection and Reporting

The Cooperative has proposed to provide a transparent real-time monitoring system. All vessels in the program would be required to purchase, install, activate, and maintain a Vessel Monitoring System (VMS) unit in accordance with NMFS Office of Law Enforcement procedures. A participating captain would "hail

out" using the VMS device or by telephone as the vessel leaves the dock, notifying NMFS of the fishing trip. In return, the captain would receive a confirmation number for that particular trip. When returning to port, the vessel would be required to "hail in" using the VMS or by telephone at least 1 hour prior to landing, alerting law enforcement and port agents to his/her return. This would provide sufficient notice to allow a dockside intercept if deemed necessary by enforcement and headboat port samplers.

Landings would be reported at the end of the trip using a software application (iSnapper) developed by Texas A&M University's Harte Research Institute. The software application was pilot-tested by the for-hire fleet in the Gulf during 2011 and 2012. Before returning to the dock, the headboat captain would enter the species and number of fish retained during the trip, approximate GPS location to identify fishing zones, and social and economic information regarding the customers on each trip. At the end of the trip, the captain would use the iSnapper data to print out a receipt for each individual customer, which would include summary information such as species and number of fish landed, the date of the trip, and the name of the vessel. This receipt would be used at the dock to track the fish that had been landed on the Cooperative vessel

participating in the EFP.

By using this electronic reporting methodology, the Cooperative would maintain a real-time, internet-based tracking system to ensure accounting of each fish landed. The data would be collected on remote servers and sent to NMFS. The Cooperative would maintain an electronic account with NMFS, specifying the numbers of red snapper and gag grouper that could be landed. As fish are landed, they would be deducted from the headboat's vessel account. Finally, headboat captains would continue submitting completed NMFS SRHS logbook data for each trip in compliance with 50 CFR 622.5.

#### Socio-Economic Study

The pilot project, if approved, offers an opportunity to evaluate the impacts of an alternative management system on the economic performance of the Gulf reef fish headboat industry. It also provides a valuable opportunity to customize data collection to maximize usefulness of the data for answering important management questions. Academic researchers, in collaboration with the Cooperative, would conduct a socio-economic study of the anticipated effects of the change in headboat cooperative management using currently available data sources. Simultaneously, the academic researchers and the Cooperative would develop additional survey instruments to

gather economic data for a post-EFP analysis of the effects of the pilot project on Cooperative vessels after its first and second years. Data collection would emphasize post-EFP impacts of the pilot project. A partial list of impacts to assess in the study includes:

1. How has the pilot project changed the temporal and spatial distributions of fishing by Cooperative members?
2. How has the number of anglers/customers changed as a result of Cooperative members being able to better target their trips to the seasonality of demand specific to red snapper and gag?
3. Do headboat owners utilize increased flexibility to provide a more differentiated recreational product to customers?
4. How has the pilot project affected the cost and net revenue associated with a representative trip?

Data collection would include trip-level catch and effort characteristics (e.g., retained and discarded catch, spatial location, and number of customers), trip and season-level variable revenues and costs (e.g., trip pricing, gear, bait, ice, fuel, and maintenance expenditures), and labor employment and compensation information. Many trip-level data would be collected using the iSnapper application, whereas seasonal data would be collected through supplementary survey instruments.



The public and the Council questioned if the establishment of an allocation-based system for the Cooperative could be considered the establishment of an individual fishing quota (IFQ) program, which would require approval via a referendum. Section 303A(c)(6)(D), 16 U.S.C. 1853a(c)(6)(D), of the Magnuson-Stevens Act, requires a referendum to approve or implement a fishery management plan or plan amendment that creates an IFQ program for any species in the Gulf. Although the allocation-based system requested by the Cooperative might reasonably be considered to create such an IFQ program, the mere issuance of an EFP to test the program on a limited basis does not trigger the referendum requirement. The statutory language is explicit that the referendum is only required to approve a fishery management plan or plan amendment that would implement such a program. An EFP is neither a fishery management plan nor a plan amendment, and does not implement any new requirements for all or a portion of recreational participants. If issued, the EFP would only establish specific requirements for the members of the voluntary Cooperative who have requested the EFP. Therefore, NMFS has determined that no referendum is required.

Currently, the recreational red snapper fishing season begins on June 1 of each year, and is closed when NMFS projects the recreational quota will be landed. As noted above, the

recreational seasons have become shorter each year, impacting the ability of headboats to operate in an efficient and economically viable manner. If this EFP is authorized, identified Gulf reef fish headboats in the Cooperative would be able to use their allocation to fish during the open recreational season, but also would be able to select days outside the designated season where they could use their red snapper allocation to meet specific customer demands. Nevertheless, in accordance with section 407(d)(1) (16 U.S.C. 1883(d)) of the Magnuson-Stevens Act, when NMFS determines the recreational red snapper fishing quota is reached, NMFS is required to prohibit the retention of red snapper caught during the rest of the fishing year. Should NMFS determine that the recreational red snapper quota is reached prior to the end of the 2014 or 2015 fishing year, including consideration of fish already harvested by the Cooperative, headboats participating under the EFP would have to cease retaining red snapper, even if the Cooperative still has allocation of red snapper available.

The Council reviewed the Cooperative's initial application at its April 2012 meeting, and recommended that NMFS approve the application. NMFS finds this application does warrant further consideration. Possible conditions the agency may impose on this permit, if it is indeed granted, include but are not

limited to, a prohibition of conducting research within marine protected areas, marine sanctuaries, or special management zones, without additional authorization. A report on the research would be due at the end of the collection period, to be submitted to NMFS and reviewed by the Council.

A final decision on issuance of the EFP will depend on NMFS's review of public comments received on the application, the Council's

recommendation, consultations with the affected states, and the U.S. Coast Guard, as well as a determination that it is consistent with all applicable laws.

Authority: 16 U.S.C. 1801 et seq.

Dated: March 28, 2013.

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Kara Meckley,  
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Office of Sustainable Fisheries,  
National Marine Fisheries Service.

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